

STATE OF ILLINOIS  
BEFORE THE ILLINOIS COMMERCE COMMISSION

ILLINOIS COMMERCE COMMISSION	)	
On Its Own Motion	)	
	)	ICC Docket No. 00-0700
Illinois Bell Telephone Company	)	
	)	
Investigation into tariff providing unbundled	)	
local switching with shared transport	)	

REBUTTAL TESTIMONY OF

JOSEPH GILLAN

ON BEHALF OF

AT&T COMMUNICATIONS OF ILLINOIS, INC.,

PACE COALITION AND Z-TEL COMMUNICATIONS, INC.

AT&T/PACE COALITION/Z-TEL JOINT EXHIBIT 2.0

PUBLIC

MAY 11, 2001

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ICC Docket No. 00-0700  
Rebuttal Testimony of Joseph Gillan - Public  
AT&T/PACE Coalition/Z-Tel Joint Exhibit 2.0 (Gillan)

1       **Q.     Please state your name.**

2

3       **A.     Joseph Gillan. I previously filed direct testimony in this proceeding.**

4

5       **Q.     What parties are sponsoring your testimony in this proceeding?**

6

7       **A.     My testimony is sponsored by a broad coalition of carriers, including Z-Tel, the**  
8               **PACE Coalition<sup>1</sup> and AT&T Communications of Illinois, Inc. (AT&T). The**  
9               **focus of my testimony has been, and will continue to be, on creating conditions**  
10              **that will promote local entry, innovation and competition in Illinois. The**  
11              **existence of the PACE Coalition demonstrates that the vitality and promise of the**  
12              **“Illinois Platform” strategy is real. By correctly resolving the issues raised in my**  
13              **direct testimony, the Illinois Commission can assure that the strategy will more**  
14              **fully meet the needs of Illinois consumers.**

15

16       **Q.     What is the purpose of your rebuttal testimony?**

17

18       **A.     The purpose of my rebuttal testimony is to respond to the rebuttal testimony of**  
19               **Ameritech Illinois’ witnesses in four areas:**

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<sup>1</sup>       The PACE (Promoting Active Competition Everywhere) is a group of smaller local entrants that rely on UNE-P – to one degree or another – to serve average residential and/or business customers.

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- \* New Combinations
- \* Shared Transport Issues (Transit and IntraLATA Call Termination)
- \* OS/DA
- \* Flat-Rate Local Switching

Before addressing Ameritech Illinois' specific testimony on these issues, however, it is useful to spend a few moments discussing two recurring themes that repeatedly surface in Ameritech's rebuttal testimony. The first of these themes is Ameritech Illinois' view that simply claiming a recommendation goes beyond a preexisting federal obligation somehow constitutes "rebuttal" of a substantive recommendation. While I would sometimes even disagree with Ameritech Illinois' interpretation as to its federal obligations, the point of this proceeding is to establish what actions the Illinois Commission should require of Ameritech. If my recommendations merely parroted FCC rules, there would be little role for the Illinois Commission beyond becoming a field office of the FCC. It is precisely *because* federal rules do not address all of my recommendations that I filed testimony in Illinois. Ameritech Illinois' "rebuttal" that a recommendation goes beyond a federal rule only proves that testimony is warranted; it says nothing as to how an issue should be resolved.

1           Second, a good deal of Ameritech Illinois' rebuttal testimony collapses to an odd  
2           form of commercial "head patting." That is, in response to a recommendation  
3           that the Commission make clear Ameritech Illinois is legally *obligated* to offer a  
4           particular arrangement, Ameritech Illinois' "rebuttal" is the claim it will  
5           *voluntarily* provide what is requested. Given its incentives (not to mention track  
6           record), relying on Ameritech Illinois' continued beneficence is a poor substitute  
7           for a Commission Order. If Ameritech Illinois' willingness to accommodate  
8           competition were as strong as its testimony implies, then competitive entrants  
9           would not have had to spend more than five years seeking Ameritech Illinois'  
10          compliance with the Commission's initial Platform order.<sup>2</sup>

11  
12       **Q.    Do you have any other preliminary comments?**

13  
14       **A.    Yes.** To further focus the debate on the needed changes to Ameritech Illinois'  
15          proposed tariff in this proceeding, I have attached to my testimony (Exhibit 2.2) a  
16          redlined-version of Ameritech Illinois' proposed tariff that would effect the  
17          changes that I recommend. Second, and more substantively, I noted in my review  
18          of Ameritech Illinois' proposed tariff that Ameritech Illinois will not offer ULS-  
19          ST where local switching is not required by law to be unbundled, including "...

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<sup>2</sup>       Order, Illinois Commerce Commission Dockets 95-0458/0531 (Consolidated), June 26, 1996, page 64.

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1           due to the applicability of CFR Rule 51.319(c)(1)(A).<sup>3</sup> Assuming for the  
2           moment that Ameritech Illinois intended to reference 51.319(c)(1)(B),<sup>4</sup> it is  
3           simply inappropriate for Ameritech to limit the availability of unbundled local  
4           switching *anywhere* in Illinois. The Illinois Commission first required the  
5           introduction of unbundled local switching under state law and has never issued  
6           any decision that would permit Ameritech Illinois to limit its availability. Indeed,  
7           Ameritech Illinois (to my knowledge) has never even *sought* an exception from  
8           this Commission's Orders requiring that it offer unbundled local switching  
9           throughout the State, much less has the Commission agreed. This unexplained  
10          reference in Ameritech Illinois' tariff is additional evidence as to why the  
11          Commission should adopt an implementing tariff at the conclusion of this  
12          proceeding.

13  
14                                   **New Combinations**

15  
16       **Q.     Which Ameritech Illinois' rebuttal witnesses addressed the issue of "new**  
17       **combinations?"**

18  

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<sup>3</sup>     See Original Sheet No. 1 of the proposed tariff for ULS-ST.

<sup>4</sup>     CFR 51.319(c)(1)(B) limits the availability of local switching in the nation's top 50 MSAs (which would include Chicago) to only serve customers with three or fewer lines in Zone 1 end offices, subject to certain conditions. In contrast, CFR 51.319(c)(1)(A) describes the unbundled local switching network element; it does not limit its availability.

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1       A.     Ameritech Illinois sponsored Dr. Debra Aron and Mr. Scott Alexander. Dr.  
2             Aron's testimony approached this very practical issue from an abstract theoretical  
3             perspective, while Mr. Alexander's testimony described what Ameritech would  
4             voluntarily provide. I respond to each separately below.

5

6       **Q.     Please summarize Dr. Aron's testimony on the issue of new combinations.**

7

8       A.     In essence, Dr. Aron recommends a "tough love" approach to local competition –  
9             that is, the harder you make it for local entrants, and the more investment you  
10            demand of them, then the better they will become.<sup>5</sup> At its core, Dr. Aron's  
11            testimony is really an objection to the principle of unbundling itself:

12

13                       I would like to point out that the issue at hand amounts to the  
14                       question of whether a firm such as Ameritech Illinois has an  
15                       affirmative obligation to assist its competitors in a particular way

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<sup>5</sup>       Clearly, Dr. Aron has never spoken to those at Ameritech Illinois' parent (SBC) that were responsible for its out-of-region entry, many of whom are currently looking for new jobs. It is very difficult to give much credence to Dr. Aron's theoretical opinion that the problem with local competition is that it has been made too "easy" for the competitors, when this view has been so flatly rejected by the investment community and SBC's management. I remind the Commission of SBC's boast during its merger review that it would lead by example:

Right now, all our competitors say nobody can do it, we can't do it, we can't do it, we're not big enough, not enough discount, this isn't right, this isn't right. Well, we're saying we can do it.

Testimony of James Kahan, SBC Senior Vice President, before the Ohio Public Utility Commission, Case No. 98-108-TP-AMT, Transcript 173. SBC's own ability to enter out-of-region markets (and not its claimed prowess) offer additional evidence that the gratuitous barriers Dr. Aron recommends are unreasonable and anticompetitive.

1                   so as to help them compete.<sup>6</sup> This is not a new question in the  
2                   context of general competition (antitrust) policy in the U.S. and it  
3                   is understood that, in general, the answer in unregulated markets is  
4                   no, firms do not normally have an affirmative obligation to help  
5                   their competitors.  
6

7                   The first flaw with Dr. Aron's reasoning is its starting point. Whether Dr. Aron  
8                   agrees or not, Ameritech Illinois' "affirmative obligation" has already been  
9                   established – by this Commission, the United States Congress and the Illinois  
10                  General Assembly. Ameritech Illinois is obligated to provide entrants network  
11                  elements, alone and in combination. The question is not whether the entrant is  
12                  entitled to the combination – that much is clear – the question is simply *how*  
13                  should it be provided. Fundamentally, Dr. Aron recommends subverting the  
14                  entrant's legal right to network element combinations by making it as difficult as  
15                  possible to get access to those combinations when they are "new."  
16

17       **Q.     Why does Dr. Aron recommend that the Commission make it difficult for**  
18       **entrants to gain access to new UNE combinations?**  
19

20       **A.     Dr. Aron believes in a "forced beachhead" strategy to promote local competition.**  
21                  Specifically, Dr. Aron would insist that carriers establish collocation  
22                  arrangements for the sole purpose of combining network elements, under a theory

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<sup>6</sup> Aron Rebuttal, page 5.

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1           that these collocation arrangements would then provide a "beachhead" for  
2           additional competition. According to Dr. Aron:

3  
4                     ...a collocation beachhead reduces subsequent costs for facilities-  
5                     based expansion, and therefore the CLEC is in a better position to  
6                     compete with the ILEC at all levels of the production process.<sup>7</sup>  
7

8           There are (at least) three problems with Dr. Aron's theory of forced collocation.  
9           To begin, there is nothing to suggest that the response to the policy she  
10          recommends would be for entrants to collocate to combine network elements.  
11          Even Ameritech Illinois understands that a forced collocation policy would be  
12          unacceptable to the FCC<sup>8</sup> and has thus offered "alternatives" that do not require  
13          collocation.<sup>9</sup> If for no other reasons, because the outcome that Dr. Aron favors  
14          (collocation) is not logically tied to the policy she recommends (sanctioning  
15          Ameritech Illinois' refusal to support new combinations), her proposal should be  
16          rejected.  
17

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<sup>7</sup>           Aron Rebuttal, page 8.

<sup>8</sup>           See Memorandum Opinion and Order, CC Docket No. 98-121, Released October 13,  
1998, paragraph 164, which states:

          ...we [the FCC] find that BellSouth can not limit a competitive carrier's choice  
to collocation as the only method for gaining access to and combining network  
elements.

<sup>9</sup>           I address why these "alternatives" are insufficient in my response to Mr. Alexander  
below.



1           Second, and more fundamentally, there is the question as to whether any rational  
2           entrant would collocate to combine new lines, or would it simply abandon the  
3           market segment or use other strategies to gain access to the combination. For  
4           instance, the geographic focus of a UNE-P based entrant is quite different than the  
5           geographic focus of a collocation-based carrier. UNE-P makes possible  
6           ubiquitous (or near ubiquitous) entry, and is therefore favored by carriers seeking  
7           to serve residential and small business customers. In contrast, collocation-based  
8           competitors focus on the limited geographic areas where the cost of collocation  
9           can be justified. Forcing a UNE-P entrant to incur the cost of collocation does not  
10          necessarily provide it an asset that meets its business objectives. Where  
11          collocation does make economic sense, the Commission should expect the entrant  
12          to pursue it (with or without Dr. Aron's false encouragement); where collocation  
13          is uneconomic, however, Dr. Aron's insistence that entrants incur this cost so that  
14          they may someday pursue some other business strategy is absurd.

15  
16          Finally, to the extent that collocation can be analogized to a "beachhead," the  
17          beachhead it most closely resembles is Gallipoli.<sup>10</sup> Even a casual observer of the  
18          telecommunications industry would see that competitive entrants that exclusively  
19          pursued collocation-dependent forms of entry stand at the brink of extinction.

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<sup>10</sup> For those unfamiliar with military history, the Gallipoli campaign in World War I is the textbook example of a failed beach landing. From April 1915 to January 1916, the French, British, New Zealanders and Australians attempted (quite unsuccessfully and at the expense of many lives) to establish a beachhead that would clear the Dardanelles.

1 This is an industry in crisis. Many of the most familiar CLECs that pursued  
2 collocation-dependent entry (ICG Communications, e\*spire, and GST  
3 Communications to name a few) have declared bankruptcy. The picture is no  
4 better if focused on the DSL community: Northpoint is bankrupt, Rhythms has  
5 warned the SEC that it may not be able to remain solvent, while Covad has been  
6 notified by NASDAQ that it will be delisted. Dr. Aron's suggestion that the  
7 Commission should make conditions more *difficult* by demanding that collocation  
8 become a threshold requirement of entry -- in the hope of achieving some  
9 theoretical "dynamic efficiency" in the future -- makes no sense at all.

10  
11 **Q. Why does Dr. Aron favor additional barriers to new combinations?**

12  
13 **A.** It is clear that Dr. Aron has no conception of how network element combinations  
14 are used, or by whom:

15  
16 ...resellers do not provide any innovation in the provision of the  
17 underlying service. Neither do users of UNE-P for that matter,  
18 because, like resellers, they rely on the Ameritech Illinois network  
19 for all of its underlying functionality. Accordingly, UNE-P and  
20 resale providers (which are very much the same thing) have few  
21 avenues in which to make contributions to the marketplace.<sup>11</sup>  
22

23 I do not intend here to begin yet another debate with Ameritech Illinois as to the  
24 fundamental distinction between service-resale and UNE-P. However, the above

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<sup>11</sup> Aron Rebuttal, page 14.

1 passage is so remarkable in its error as to require at least an abbreviated response.

2 As noted earlier, one of the sponsoring organizations of my testimony is the  
3 PACE Coalition. The PACE Coalition is comprised entirely of carriers that have  
4 taken the generic input of UNE-P and have used it to create very different  
5 business strategies, offering a wide variety of innovations. For instance, Z-Tel  
6 combines UNE-P with proprietary software that transforms simple phone service  
7 to a powerful information service that includes integrated messaging. Other  
8 PACE members use UNE-P as the voice complement to their advanced data  
9 services, offering the customer a combined package that blends conventional  
10 capabilities with new technologies. Collectively, the PACE members have  
11 invested more than \$2 billion in their businesses, they have created more than  
12 9,000 new jobs, and serve more than 1.2 million customers. If UNE-P *really* did  
13 not permit innovation and product differentiation, would Ameritech Illinois be as  
14 frightened of it as it is?

15  
16 **Q. How does Mr. Alexander respond to your recommendations concerning**  
17 **“new combinations?”**

18  
19 **A.** Mr. Alexander’s rebuttal consists of two basic arguments. The first argument is  
20 the claim that the CLECs are exaggerating the additional cost and complexity of  
21 Ameritech Illinois’ proposal. Indeed, in an effort to illustrate the point,  
22 Ameritech Illinois goes so far as to fabricate a perceived disagreement between

1 WorldCom and myself as to the level of discrimination inherent in its proposal.  
2 Second, in an attempt to diffuse the issue, Ameritech Illinois offers a temporary  
3 proposal – tied to its 271 approval – to combine elements as requested by the  
4 competitors.

5

6 **Q. Have the CLECs exaggerated the complexity and cost of combining**  
7 **elements?**

8

9 A. No. To begin, it is useful to remember that the CLECs are not really asking that  
10 Ameritech combine network elements for the CLEC, the request is *by* the CLEC  
11 that Ameritech combine network elements *for* the customer. The goal should be  
12 to adopt the system that makes the most sense for the efficient provision of  
13 service to the customer, recognizing that over time a customer may change  
14 service providers but still desire service over the same network element  
15 combination. When “new” network element combinations are treated in the same  
16 manner as “old” network element combinations, then these facilities are available  
17 not just the *first* time a customer requests service at a location, but *every* time  
18 thereafter.

19

20 As a practical matter, the Commission should presume that Ameritech Illinois has  
21 positioned its loops and ports within the central office at the most efficient point  
22 for cross-connection (i.e., combining). So as to avoid combining these elements

1 for CLECs at the location they are ordinarily combined, however, Ameritech  
2 Illinois is proposing to create entirely new environments where this cross-  
3 connection would occur. Like the “dog that did not bark” in the famous Sherlock  
4 Holmes story, the most notable deficiency in Ameritech Illinois’ pleading is that it  
5 never even tries to explain what *positive* outcome – beyond the protection of its  
6 own profits – could possibly arise if the Commission were to adopt a policy to  
7 instead combine elements at some other (less efficient) location.

8  
9 **Q. Is there any dispute that Ameritech Illinois’ proposal would increase costs**  
10 **for both Ameritech Illinois and the entrant?**

11  
12 **A.** No. Although Ameritech Illinois would like the Commission to ignore the fact  
13 that its cost would increase, it does not dispute the fact that additional costs would  
14 result:

15  
16 Mr. Gillan is making an “apples to oranges’ comparison ... Mr.  
17 Gillan is comparing the work Ameritech Illinois would have to do  
18 to facilitate CLECs combining unbundled network elements  
19 without collocation (e.g., using the UNE frame method of access)  
20 to the work Ameritech Illinois would perform when connecting  
21 loops with switching to provide local exchange service.  
22 Obviously, there is some preparatory work that Ameritech Illinois  
23 would be required to undertake to establish the UNE frame method  
24 for the CLEC to perform the combining function. However, it is  
25 incorrect to compare that preparatory work to the actual work of  
26 combining the elements.<sup>12</sup>

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<sup>12</sup> Alexander Rebuttal, page 13.

1  
2       There is nothing “apples to oranges” about comparing the cost of Ameritech  
3       Illinois combining loops and ports at the location designed for this purpose, with  
4       the cost to combine these same elements at some new and distant location. After  
5       all, somebody would have to pay for Ameritech Illinois’ “preparatory work” – not  
6       to mention the cost to extend the requested elements to these new locations.<sup>13</sup>  
7       Indeed, Ameritech Illinois would have to do “more” combining to extend these  
8       elements – that is, it would have to combine the loop and the port to the facility  
9       that would extend these network elements to the combining frame – than it would  
10      do if it simply combined the elements in the first place.

11  
12      The only reason that Ameritech Illinois would propose an arrangement that  
13      increased its own workload and costs – presuming that it intends to absorb the  
14      cost of its “preparatory work” and cost to extend any requested element – is if the  
15      policy increased its rivals’ costs by a greater amount. While Ameritech Illinois  
16      would like to avoid this analysis by claiming it is “apples to oranges,” an increase  
17      in cost is an increase in cost. Because part of the increase in cost is attributable to  
18      unnecessary “preparation” – while another part is caused by excessive cross-

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<sup>13</sup>      It is not possible to estimate these additional costs because Ameritech Illinois has never disclosed what costs, or proposed charges, it would impose (See Ameritech Illinois Response to Staff Data Request CLG-1.07 indicating that charges would be established on an ICB basis). In addition, Ameritech Illinois appears to imply that any charges for a “new UNE-P” would be subject to market-based (which is to say, monopoly-based) pricing. See Alexander Rebuttal, page 28.

1 connect activity – makes no difference. Its proposal is nothing more than  
2 inefficiency for the sake of inefficiency.  
3

4 **Q. Is Ameritech Illinois' proposal discriminatory as discussed by WorldCom?**

5  
6 **A.** Yes. Ameritech Illinois' rebuttal attempts to fabricate a disagreement between  
7 WorldCom and myself by pointing out a statement in my direct testimony that the  
8 entrant would do the "same work" combining elements itself that Ameritech  
9 would perform otherwise.<sup>14</sup> Other than to promote confusion, it is unclear why  
10 they have characterized this passage in my testimony as conflicting with  
11 WorldCom. Even where the "same work" is done by the entrant as would have  
12 been done by Ameritech – which is an assumption of my direct testimony, not a  
13 conclusion -- that would not mean there is no discrimination. The entire point of  
14 my testimony was to focus attention on the additional and unnecessary work and  
15 cost associated with the Ameritech Illinois' proposal to move the "same work" to  
16 a "different place." This action by itself increases costs to entrants that Ameritech  
17 Illinois avoids, hence the inherent discrimination of its proposal.  
18  
19

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<sup>14</sup> Alexander Rebuttal, page 13.

1       **Q.**     Should there be *any* question that Ameritech Illinois' proposals would  
2               frustrate competition?

3  
4       **A.**     No. As I indicated earlier, the only reason for Ameritech Illinois' proposals  
5               would be to frustrate competition. Why else would Ameritech Illinois propose a  
6               system that requires more work, more manual intervention and more investment?

7  
8               This issue is about adopting the most efficient means to deliver arrangements that  
9               are demanded by law – UNE combinations. There are 275 Ameritech Illinois end  
10              offices in Illinois,<sup>15</sup> spread across 55,593 square miles. UNE combinations (in  
11              particular, the UNE Platform) are used by entrants seeking to establish broad  
12              geographic footprints for the services they offer – a result that would be  
13              impossible if entrants were required to dispatch technicians to remote frame-  
14              rooms scattered throughout the state.

15  
16             Why would anyone ever suggest such an approach? Ameritech Illinois already  
17             has in place the mechanisms to routinely combine loops and ports (and other  
18             facilities) in the most efficient manner. Once combined, these facilities would  
19             then be available for use by *any* entrant that the customer chooses, including  
20             Ameritech Illinois. Moreover, entrants could achieve the same outcome by

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<sup>15</sup>       Source: FCC Hybrid Cost Proxy Model



1 ordering new lines as resale and then converting once combined<sup>16</sup> -- but why  
2 create a system that requires twice the work, and which would inevitably create  
3 billing issues for both the entrant and Ameritech?  
4

5 **Q. What about Ameritech Illinois' voluntary offer to combine elements for a**  
6 **period of limited duration, and conditioned on Ameritech Illinois' approval**  
7 **to offer long distance services in Illinois?**

8  
9 **A.** The Illinois Commission should address head-on what is needed for competition  
10 and require that Ameritech Illinois comply with such obligations. A very few  
11 short years of a "voluntary" commitment is simply not what is needed to create a  
12 lasting foundation for local competition. Consider, for instance, exactly *why* SBC  
13 is today the owner of Ameritech Illinois. SBC was already one of the largest local  
14 exchange carriers in the nation when it *rejected* the opportunity to enter Illinois as  
15 a CLEC and compete with Ameritech, preferring instead to enter by acquiring the  
16 incumbent.

17  
18 The Illinois Commission must make clear Ameritech Illinois' legal obligation to  
19 support new combinations rather than rely on Ameritech's transitional  
20

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<sup>16</sup> Ameritech Illinois acknowledges that it has no restrictions on the ordering of new serving arrangements and conversion to UNEs as a preexisting combination. See Ameritech Illinois Response to ICC Staff Data Requests CLG- 1.05 and CLG 1.06.

1           “willingness” to accommodate a limited amount of competition for a limited  
2           period. Local competition is not about finding the hardest conceivable solution to  
3           the most straightforward of issues. Local competition depends upon achieving the  
4           most efficient solution, for the benefit of the customer. In the case of new  
5           combinations, such a policy clearly requires that Ameritech Illinois support these  
6           new combinations in the same manner as they would support any combination.

7  
8           **Shared Transport Issues (IntraLATA Termination and Transiting)**

9  
10       **Q.   How did Ameritech Illinois respond to your recommendation that shared**  
11       **transport should include the termination of all intraLATA traffic?**

12  
13       **A.   Ameritech Illinois responded with two arguments. The first argument boils down**  
14       to the claim that completing all forms of intraLATA traffic through shared  
15       transport may raise some additional complexity for billing.<sup>17</sup> Second, Ameritech  
16       Illinois claims that the recommendation goes beyond its federal obligation.

17  
18       Significantly, the first set of arguments – i.e., that new processes may be needed  
19       to correctly bill access – is no issue at all. Ameritech Illinois acknowledges that

20  

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<sup>17</sup> Hampton Rebuttal, page 12.

1 SBC confronts the identical issue in Texas, and has nevertheless agreed to extend  
2 the policy (to terminate intraLATA traffic) to Oklahoma and Kansas. Moreover,  
3 the Michigan Commission has recently addressed this same intraLATA dispute  
4 and rejected the truncated form of shared transport (i.e., local only) that  
5 Ameritech Illinois proposes here.<sup>18</sup> Consequently, *whatever* implementation  
6 issues may arise, SBC and Ameritech are already committed to resolving them.

7  
8 **Q. What about Ameritech Illinois' claim that it has no legal obligation to**  
9 **include intraLATA traffic?**

10  
11 **A.** As a threshold point, I disagree with Ameritech Illinois' interpretation of its  
12 merger commitments. Ameritech Illinois' merger commitments require that it  
13 offer shared transport "in the same manner" and on terms "substantially similar"  
14 to that it offers in Texas. Ameritech Illinois' sole defense against this obligation  
15 is the argument that at the time the condition was imposed, SBC was *disputing* its  
16 obligation in Texas. Thus, even though the Texas Commission ruled against SBC  
17 and determined that its existing agreements required that it terminate intraLATA  
18 traffic, Ameritech Illinois claims it has no obligation under its merger agreement  
19 to offer the same arrangement here. Although I am not a lawyer – and, therefore,  
20 do not intend to comment on the technical precision of this theory – the larger

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<sup>18</sup> See Opinion and Order, Case No. U-12622, Michigan Public Service Commission, March 19, 2001 ("Michigan Order").

1           issue here is what is best for Illinois consumers. Clearly, assuring that all CLECs  
2           (and not just Ameritech Illinois) gain access to the scale economies of the shared  
3           transport network will encourage additional competition and lower prices. That  
4           should be enough justification.

5  
6       **Q. Did Ameritech Illinois respond to your recommendation that the**  
7       **Commission make clear that the “transit” function should be a required**  
8       **component of shared transport?**

9  
10      **A.** No, not as to its merits. Ameritech Illinois’ response is merely that the FCC does  
11      not already require that the transit function be considered a component of shared  
12      transport:

13  
14                   I believe Mr. Gillan is very aware of how the FCC has defined  
15                   shared transport and knows there is no transit obligation in that  
16                   definition.<sup>19</sup>  
17

18           In addition, Ameritech Illinois discounted the fact that the Commission already  
19           requires that Ameritech provide transit to some CLECs, arguing that the policy  
20           was decided in the context of an “interconnection” obligation and not as part of  
21

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<sup>19</sup> Hampton Direct, page 17.

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**AT&T/PACE Coalition/Z-Tel Joint Exhibit 2.0 (Gillan)**

1 shared transport. As to its first objection, I have already discussed that the  
2 purpose of this proceeding is to decide what policies the Illinois Commission  
3 should adopt, not merely implement federal minimums – accepting, for the sake  
4 of argument, that FCC rules do not require the transit function already.<sup>20</sup>

5  
6 The Commission should make clear that the transit function is a mandatory  
7 component of shared transport in Illinois, just as the Michigan Commission has  
8 done:

9  
10 The Commission finds that Ameritech Michigan's attempt to treat  
11 transiting as a voluntary offering is without merit.<sup>21</sup>  
12

13 Moreover, such a decision would be a natural extension of the policy the  
14 Commission adopted in the MCI arbitration. My direct testimony recognized that  
15 the Commission's policy did not *yet* address shared transport, which is precisely  
16 why I am recommending it here. While Ameritech Illinois testimony implies  
17 some meaningful distinction between "interconnection" and "shared transport," it  
18 never explained why a policy that is appropriate to one would not also be  
19 appropriate to the other. The question is should Ameritech provide transit as part  
20 of shared transport and the answer is yes.

---

<sup>20</sup> I note that the Michigan Commission rejected Ameritech's claims in this regard (Michigan Order, page 14).

<sup>21</sup> Michigan Order, page 25.

OS and DA

**Q. How did Ameritech respond to your recommendation that OS and DA remain network elements until an efficient OS and DA traffic routing and aggregation system is established?**

**A.** As with the transit issue above, Ameritech Illinois' principal response is "the FCC doesn't require this."<sup>22</sup> Again my principal rejoinder is, "so what?" At the time the FCC reached its decision, there was no indication that some ILECs would require that entrants establish trunk groups at each end office, or what implication that policy would have on the entrants' practical ability to use alternatives.

As the Michigan Commission concluded in its review of this same issue:

The record supports the ALJ's finding regarding the infeasibility and limited usefulness of the customized routing that Ameritech Michigan proposes to accommodate the CLEC's OS/DA requirements. The record indicates that providing this type of customized routing as the only alternative to purchasing Ameritech Michigan's wholesale OS/DA services at market prices (set by Ameritech Michigan) would require each CLEC to establish

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<sup>22</sup> Hampton Rebuttal, page 16.

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1 dedicated trunks to every end office it serves. The Commission  
2 finds that this alternative would be costly, inefficient and  
3 burdensome.<sup>23</sup>  
4

5 There are 275 end offices in Illinois and the cost to establish direct connections to  
6 each would be as costly, inefficient and burdensome in Illinois as they would be  
7 in Michigan (or anywhere else). It is important to understand that I am not  
8 recommending that Ameritech Illinois offer OS and DA as unbundled network  
9 elements indefinitely, but only until a customized routing solution is identified  
10 and implemented that provides sufficient aggregation to make the competitive  
11 provision of OS and DA service possible without such a highly inefficient  
12 interoffice network.  
13

14 **Flat Rate Local Switching**  
15

16 **Q. Before responding to Ameritech Illinois' "rebuttal" testimony concerning its**  
17 **proposed usage-sensitive rate structure, is there a preliminary comment that**  
18 **you would like to make?**  
19

20 **A.** Yes. Mr. Palmer's rebuttal testimony is troubling on a number of levels. As I  
21 (and other interveners) pointed out, Ameritech Illinois' proposed usage sensitive  
22 rate structure does not comply with the Commission's Order in Docket 96-0486.

---

<sup>23</sup> Michigan Order, page 21.

1           On this point, there should be no dispute. Mr. Palmer takes great exception to  
2           parties identifying this non-compliance, however, arguing that:

3  
4                     ...much as changed since the TELRIC studies reviewed in Docket  
5                     96-0486 were prepared, and Ameritech Illinois is entitled to  
6                     present that information in this case.<sup>24</sup>  
7

8           Clearly, Mr. Palmer must have recognized when he filed his direct testimony that  
9           Ameritech Illinois was ignoring the Commission's Order in Docket 96-0486.  
10          Despite the fact that Ameritech Illinois was seeking the reversal of a Commission  
11          Order, Mr. Palmer's entire justification for its proposal comprised two short  
12          paragraphs on the next to last page of his direct testimony. Ameritech Illinois is  
13          seeking to game the procedural process by only producing in its rebuttal  
14          testimony that which should have formed the basis of its direct. Such a strategy is  
15          offensive in its own right – but to portray those that criticize its refusal to comply  
16          with Commission Orders as somehow attempting to *limit* Ameritech Illinois'  
17          opportunity to present information is condescending and extreme.

18  
19          I do not intend to further comment on Ameritech Illinois' procedural  
20          gamesmanship and instead will respond to its "rebuttal case" on its merit. But the  
21          Commission should not lose sight of the status of this issue – Ameritech Illinois is  
22          seeking the reversal of a Commission Order and its evidentiary burden should

---

<sup>24</sup> Palmer Rebuttal, page 8.



1 match the significance of the request. The later in this proceeding that Ameritech  
2 Illinois introduces its "direct case," the less weight it should be afforded -- to the  
3 extent that Ameritech Illinois waits until its surrebuttal testimony to offer new  
4 evidence or argument, that testimony should be given almost no weight at all.

5  
6 **Q. What is the basis of Ameritech Illinois' claim that its switches are usage-**  
7 **sensitive?**

8  
9 **A.** The crux of Ameritech Illinois' reconsideration of the Commission's decision to  
10 adopt a flat-rate charge for unbundled local switching is the claim that capacity  
11 charges are usage sensitive if usage is the cause of additional capacity:

12  
13 Simply put, if capacity must be augmented or the timing of  
14 replacement capacity must be moved up because of an increase in  
15 usage, then the entire investment under those circumstances is  
16 usage sensitive.<sup>25</sup>  
17

18 Accepting (for the purpose of rebuttal) that the above theory is stated correctly,  
19 the factual issue becomes whether the driving cause of switch replacement (or  
20 augmentation) is increasing usage.

21  

---

<sup>25</sup> Palmer Rebuttal, page 41.

1

2       **Q.     Have you attempted to identify if usage routinely causes Ameritech Illinois to**  
3       **increase its switching capacity?**

4

5       A.     As I explained earlier, I believe the burden appropriately rests with Ameritech  
6       Illinois in this proceeding. As to meeting that burden, Ameritech Illinois cites  
7       only one switch – a switch in Ohio for that matter – where it claims that usage  
8       (and not lines) required augmentation.<sup>26</sup> Ameritech Illinois' single-switch  
9       anecdote can hardly be considered the type of evidence needed to demonstrate  
10      that it is usage that is the prime driver of capacity additions and replacement.

11

12      **Q.     Have you reviewed statistics that indicate that usage should infrequently**  
13      **affect Ameritech Illinois' switch replacement?**

14

15      A.     Yes. In the Docket Nos. 96-0486/0569, I reviewed Ameritech Illinois' inputs to  
16      its switching cost model, including information that showed the expected  
17      replacement date, years before processor exhaust, and utilization at replacement  
18      of its switches. These results were summarized in the following table:<sup>27</sup>

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<sup>26</sup> Palmer Rebuttal, page 34. Further, Ameritech Illinois provide no explanation as to why this switch is unique – did it have an unusual usage pattern, a single large customer, or a large concentration of Centrex lines?

<sup>27</sup> See Docket Nos. 96-0486/0569 (Consol.), WorldCom Exhibit 1.3, Surrebuttal Testimony of Joseph Gillan, page 24.

**Table 1: Utilization Inputs to Ameritech Switching Cost Model  
(Docket 96-0468/0569)**

Parameter	Input Value
Average Number of Years Before Switch Replacement	
Average Number of Years Before Processor Exhaust	
Average Processor Utilization at Switch Replacement	

As the table shows, Ameritech Illinois' prior cost analysis reflected its expectation that its switches would be replaced nearly a decade before their processors exhausted.

**Q. Is there other publicly available information that addresses this issue?**

**A.** Yes. Ameritech Illinois initially indicated that the "design usage" for its typical switch was 1,622 minutes per line.<sup>28</sup> Accepting this claim at face value, this "design limit" would appear to far exceed the average usage per line of Ameritech Illinois' switches.

Table 2 (below) provides the average usage per line for Ameritech Illinois over the past six years.<sup>29</sup> As this Table shows, Ameritech Illinois' average usage per line is far below its (even claimed) switch design limit. Although usage per line

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<sup>28</sup> See Ameritech Illinois Tariff ICC No. 20, Part 19, Section 3, 1<sup>st</sup> Revised Sheet No. 42.

<sup>29</sup> Source: Dial Equipment Minutes (DEM), ARMIS 43-04, Table I. Two DEM minutes equal one conversation minute. The denominator is the number of billable access lines from the same Table I of ARMIS 43-04.

1 has been increasing, if growth continues at its most recent average (from 1998 to  
2 2000, usage grew roughly 5% per year), Ameritech Illinois would still not reach  
3 its design limit for another decade.

4  
5 **Table 2: Comparing Ameritech Illinois' Average**  
6 **Usage/Line to its Switch Design Limit**  
7

Year	Conversation Minutes/Line
1995	798.8
1996	816.6
1997	804.6
1998	829.7
1999	877.1
2000	950.2
Design Limit	1,622.0

8  
9 In addition, attached to my testimony is an Exhibit (Exhibit 2.1) calculated from  
10 the usage information relied upon by the FCC to run its Hybrid Cost Proxy Model  
11 for the purpose of estimating universal service subsidy. This exhibit provides the  
12 average usage per line for each of Ameritech Illinois' 275 end offices. Not only is  
13 the average *statewide* utilization substantially less than the "design limit" (with a  
14 statewide average of 822 minutes/line), this data indicates that *all* end-offices  
15 exhibit this trait (with a maximum value of 991.5 minutes/line).

16  
17 **Q. But won't competition and other new uses (such as the Internet) cause usage**  
18 **to increase?**  
19

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1       A.     Yes and no. I do believe that the innovative new services made possible by UNE-  
2             P will increase usage by some customers. But the real issue is whether that  
3             increase in usage -- combined with lines leaving Ameritech for other competitors  
4             as well as other trends -- can reasonably be expected to require that Ameritech will  
5             require new switches with increased capacity. Even leaving aside factors that can  
6             be expected to shift usage off Ameritech's switches, I do not believe that  
7             competition (or other factors) will produce usage changes of the magnitude  
8             necessary for the average utilization on these switches to be exceeded.  
9  
10            Consider for the moment the following extreme example. Assume that CLECs  
11            gain 20% of the market. Further assume that these CLECs win both small and  
12            large customers, so that Ameritech's average usage remains constant (that is, it  
13            does not decline) even as customers shift to CLECs. Under these assumptions,  
14            the average usage of the customers that have chosen CLECs would need to  
15            increase to more than 4,300 minutes/month/line to exceed the design limit of  
16            Ameritech's switches.<sup>30</sup> To the extent that CLECs initially attracted larger  
17            customers -- which would cause the average usage of the customers remaining  
18            with Ameritech to decline -- then the increase in usage by the CLECs' customers  
19            would need to be even higher.

---

<sup>30</sup> For context, this is roughly 72 hours per month of conversation time. To achieve the above estimate, it would mean that the *average* business line is busy 50% of the business day, every day, or the *average* residential line is busy 10% of the time, 24 hours a day, 7 days a week. One could only imagine the effect on GNP that such a diversion of human labor would create.

1

2       **Q.     Are there factors that should reduce the usage of Ameritech Illinois' switches**  
3       **in the future?**

4

5       A.     Yes. First, local competition from carriers that have deployed their own switches  
6       will draw some of Ameritech Illinois' customers, including business customers  
7       with above average usage per line. Further, the most likely effect of xDSL  
8       technology will be to shift Internet minutes from local switches to packet  
9       networks. Both trends should cause Ameritech Illinois' switch usage to decline in  
10      the future.

11

12             In summary, there is no basis to support Ameritech Illinois' 11<sup>th</sup> hour (really, 13<sup>th</sup>  
13             hour) proposal to impose a usage charge on unbundled local switching. Although  
14             the Commission should update the flat-rate charge as recommended by Dr.  
15             Ankum, it should retain its policy favoring a flat, per-port, rate structure.

16

17      **Q.     Does this conclude your rebuttal testimony?**

18

19      A.     Yes.

**Ameritech Illinois Average Switch Usage Per Line  
(By End Office CLLI Code)**

CLLI	Total Lines	Average MOU/Line
ALGNILAQ	19,986	773.0
ALTNILAK	17,763	818.6
ANTCILAC	14,256	799.9
ARLHILAH	116,095	844.3
ATHNILAN	1,407	747.0
AURRILAE	42,621	809.6
AURRILAR	55,970	812.3
AVTNILAV	708	741.8
BCHRILBC	2,141	775.5
BCKMILBM	657	743.3
BDTWILBD	4,860	785.0
BFLOILBF	1,135	740.7
BGBKILBK	16,315	784.4
BGRKILBG	479	742.8
BITNILBH	2,499	744.5
BLISILBI	68,947	819.5
BLVLILAD	55,296	806.5
BLVLILPX	4,684	852.6
BLWDILBW	79,526	846.7
BNTILAG	611	944.5
BNTILBA	24,161	819.8
BNVLILBN	11,497	809.8
BRESILBS	3,954	804.4
BRTLILBT	62,798	780.7
BRTOILBU	472	732.9
BRWDILBR	3,471	771.5
BTHLILBO	7,524	772.4
BUFDILBL	1,142	737.0
CAHKILAA	11,771	784.5
CAIRILCF	3,378	801.1
CARYILCA	17,958	787.1
CENLILCE	16,482	811.6
CHCGILAU	39,987	793.9
CHCGILBE	57,456	778.3
CHCGILCA	33,615	829.2
CHCGILCL	42,410	961.7
CHCGILDO	66,265	800.8

CLLI	Total Lines	Average MOU/Line
CHCGILED	99,454	794.8
CHCGILFR	144,098	965.8
CHCGILHB	114,770	808.9
CHCGILID	42,991	921.9
CHCGILIR	71,281	803.6
CHCGILKE	28,611	828.6
CHCGILKI	104,175	805.4
CHCGILLA	85,194	850.3
CHCGILLD	32,623	802.3
CHCGILLR	31,584	948.5
CHCGILLW	170,447	795.9
CHCGILME	47,177	802.6
CHCGILMH	6,368	787.6
CHCGILMO	78,692	877.6
CHCGILNE	71,854	825.1
CHCGILOH	1,083	931.5
CHCGILOK	40,740	785.1
CHCGILPM	63,963	806.0
CHCGILPR	73,876	787.7
CHCGILPU	47,104	778.7
CHCGILRP	84,366	778.9
CHCGILSC	69,841	786.4
CHCGILST	80,489	776.7
CHCGILSU	118,432	865.8
CHHGILCH	26,599	820.4
CHMPILCP	50,265	823.8
CHMPILCU	44,294	823.7
CICRILCI	101,885	800.9
CLCYILCG	4,555	773.8
CLMBILCO	149	737.0
CLVYILCV	3,020	772.8
CMCYILCC	54,539	802.0
CNTNILCN	10,985	791.2
CNTRILCT	1,057	739.9
COVLILCQ	26,443	789.1
CRCYILCC	459	738.7
CRETILCM	8,456	767.5
CRLKILCK	35,660	811.5
CRLYILCL	3,956	802.6
CTLNILCB	1,517	746.7



CLLI	Total Lines	Average MOU/Line
DAVLILDA	35,309	814.1
DCTRILDC	48,841	814.8
DCTRILDN	20,024	812.5
DLVNILDE	1,518	748.9
DRFDILDF	31,063	856.4
DWGHILDH	3,284	785.4
DWGVILDG	104,141	827.7
ECHGILEH	17,900	815.5
EDMTILEX	21,393	792.1
EDNDILDU	26,058	813.7
EDTNILEN	2,258	736.3
EGVGILEG	98,552	896.9
ELBNILEU	3,656	794.2
ELGNILEL	78,889	816.5
ELSHILES	971	737.1
ELWDILEW	1,339	792.6
EMHRILET	67,786	841.8
EMLNILEM	11,749	806.0
EPERILPE	21,946	811.5
ESLSILBR	22,771	803.8
EVTNILEV	63,492	827.7
EWVLILER	19,294	815.6
FAMTILFA	765	741.8
FEBGILLX	3,131	789.9
FIATILFI	178	737.0
FRFTILFB	20,310	814.4
FRSTILFO	770	767.0
FRTNILFM	2,011	773.4
FTHNILFT	315	739.4
FWLRILFW	433	739.9
FXLKILFK	10,714	767.1
GALNILGA	6,641	803.2
GBCYILGB	3,190	809.3
GDFYILAN	18,835	807.7
GENVILGN	61,535	832.6
GLCRILGC	6,287	761.3
GLELILGE	28,040	810.3
GLMNILGM	1,273	768.3
GLVWILGV	30,400	824.2
GNVLILGR	5,444	798.8

CLLI	Total Lines	Average MOU/Line
GRCYILTA	27,242	821.7
GRNRILGD	2,057	742.4
GRPKILGP	1,470	774.6
GRRKILES	13,471	787.4
GRTWILGT	3,071	786.2
GTWCILGT	835	734.9
GYLKILGL	12,781	793.9
HCHLILHH	40,785	807.9
HDNGILHG	278	740.7
HFESILPC	12,010	986.1
HFESILWL	52,472	834.2
HGPKILHP	20,905	815.8
HLSDILHD	29,822	873.7
HMPSILHS	2,905	795.5
HMWDILHO	39,426	796.3
HNCYILHC	1,735	756.5
HNDLILHI	63,888	840.6
HNTLILHO	4,437	811.8
HPPKILMB	1,029	737.0
HRMJILHM	305	737.0
HRSCILHR	1,313	777.6
HRTWILHT	1,007	762.4
HRVRILAI	7,355	795.2
HRVYILHA	43,964	827.2
INDNILIN	236	739.2
IPAVILIP	392	738.9
ITSCILAB	13,462	894.7
IUKAILIU	652	746.3
JOLTILJO	43,796	807.4
JOLTILJW	36,759	817.6
KAVLILKA	1,155	753.1
KELLILKL	1,705	739.0
KMNDILKY	850	748.3
KNKKILKK	48,830	804.5
LBNNILKG	2,915	782.7
LBRDILLM	77,311	850.8
LBR TillB	640	741.4
LBVLILLI	69,215	833.0
LCPTILLP	12,666	787.7
LEMTILLE	15,261	829.6

CLLI	Total Lines	Average MOU/Line
LEMTILLN	27,471	780.2
LGRCILLG	60,501	815.7
LKFRILLF	22,691	830.9
LKVLILLK	14,845	771.3
LKZRILLZ	21,669	808.8
LSBNILLB	293	741.2
LSLLILLS	16,056	803.6
LVPKILRN	47,506	816.7
LWTWILLT	2,525	782.7
MAZNILMZ	660	749.8
MCHNILMY	29,084	800.1
MDCYILAA	573	778.5
MILNILMI	9,375	802.6
MINKILMK	7,599	785.3
MMNCILMM	4,021	792.1
MNDSILAA	891	763.6
MNHTILMA	3,186	768.3
MNTNILMT	5,017	803.1
MOKNILME	12,193	786.0
MOLNILML	38,050	814.1
MONEILGK	6,166	803.9
MRGVILMG	38,622	838.3
MRINILMJ	677	724.4
MRNGILMR	6,344	798.8
MRRSILMS	12,207	802.8
MTVRILMV	16,827	807.9
NBRKILNB	49,099	869.5
NBRKILNT	582	991.5
NCHCILNC	14,159	838.7
NPVLILNA	92,616	804.0
NPVLILNE	9,310	964.2
NSVLILNV	3,489	795.2
NWATILGY	2,241	775.4
NWLNILNL	13,842	782.7
NWRKILNW	1,181	753.3
OFLNILMQ	19,546	808.2
OGLSILOG	2,656	771.5
OKBRILOA	15,655	956.0
OKFRILOF	288	737.0
OKLWILOL	69,527	805.3

CLLI	Total Lines	Average MOU/Line
OKPKILOP	66,610	812.4
OKWDILOW	1,337	750.7
OLBRILOB	558	737.0
OLMSILOM	360	737.0
ONRGILON	879	789.0
ORPKILOR	41,881	805.7
OSWGILOS	7,793	779.1
OTWAILOT	17,586	802.6
PALTILPA	56,897	800.1
PEORILPB	41,723	808.4
PEORILPJ	34,157	843.4
PEORILPN	28,622	829.7
PETNILPT	3,038	771.5
PKFSILPF	37,439	806.3
PLANILPO	4,426	784.3
PLCTILPR	2,362	761.6
PLFDILPL	18,185	799.8
PLPKILPP	22,331	814.6
PNBHILSY	11,885	787.9
PTBGILPG	3,185	782.6
PTVLILPV	405	746.8
PYSNILPY	1,299	746.9
QNCYILQY	40,810	818.5
RCFRILRE	58,539	824.0
RCFRILRT	58,724	831.3
RCISILRI	26,832	806.0
RGFMILRF	823	741.4
RMVLILRM	6,747	769.5
RNLKILRL	17,554	773.6
ROCHILRC	2,528	747.8
RSHTILWD	10,605	789.6
RSLILRZ	83,176	817.7
RVDLILRD	25,173	789.9
RVGVILRG	65,081	816.8
RVTNILRV	3,435	750.6
SALMILSE	8,003	815.1
SCBGILCO	24,122	945.1
SCBGILRS	12,514	823.3
SCPKILSP	25,679	897.9
SENCILSN	1,593	772.7

CLLI	Total Lines	Average MOU/Line
SGGVILSV	2,888	785.4
SKOKILSK	67,707	862.6
SMMTILSM	49,754	841.1
SNJSILSS	418	737.7
SPBYILSB	2,690	747.8
SPFDILES	71,730	842.9
SPFDILSL	15,950	825.3
SPFDILSW	37,665	808.0
STANILSA	1,130	776.5
STDVILCS	1,071	737.9
STJSILSH	1,971	754.6
STNGILSI	25,597	812.2
TALLILTL	474	737.0
THBSILTH	232	737.0
TMMSILTM	594	737.9
TNPKILTP	50,500	799.0
TRENILTR	2,176	765.1
TRIVILTI	691	746.9
TROYILTY	5,862	772.8
UNINILUN	1,677	815.9
UTICILUT	907	749.0
VANDILVA	5,846	813.8
VRNAILVE	285	737.2
WCHCILWC	20,783	815.0
WCNDILWU	16,322	805.8
WDRVILWR	10,854	800.5
WDSTILWS	17,207	815.8
WHTNILWH	80,904	816.0
WKGNILWK	79,348	815.8
WLMGILWM	6,227	784.7
WLMTILWI	20,236	789.3
WLNILWG	81,655	849.8
WNTKILWN	22,442	822.4
WNVLILWV	6,862	785.4
WSTVILWE	3,139	761.7
WTSKILWT	5,369	827.0
YRVLILYO	6,156	790.0
ZIONILZN	18,331	793.6
Statewide	6,924,049	822.4

ILLINOIS BELL  
TELEPHONE COMPANY

## Ameritech

Tariff

ILL. C.C. NO. 20  
PART 19 SECTION 21

PART 19 - Unbundled Network Elements and Number  
Portability  
SECTION 21 - Unbundled Local Switching with  
Shared Transport

1st Revised Sheet No. 1  
Cancels  
Original Sheet No. 1

### 1. UNBUNDLED LOCAL SWITCHING WITH SHARED TRANSPORT (ULS-ST)

#### A. DESCRIPTION

##### General

Unbundled Network Elements are available to Telecommunications carriers for use in the provision of a telecommunications service as specified, to the extent required by, and pursuant to the Telecommunications Act of 1996, Pub. L. No. 104-104, 110 Stat. 56 (1996) ("the Act"), Illinois Public Utilities Act Section 13-505.6, and the rules, regulations, and orders of the Federal Communications Commission (FCC) and the Illinois Commerce Commission.

Ameritech Illinois, hereinafter referred to as the "Company", provides only to telecommunications carriers subscribing to Unbundled Local Switching (ULS), as described in this section, the function of shared transport as required by Order of the Illinois Commerce Commission, subject to the requirement that the function of shared transport offered will never be less than that ~~(as defined by in the FCC's (Third Order on Reconsideration and Further Notice of Proposed Rulemaking, Implementation of the Local Competition Provisions in the Telecommunications Act of 1996, 12 FCC Rcd 12460 (1997) (Third Recon Order) or the under-terms and conditions, other than rate structure & price, that are substantially similar to (or more favorable than) the most favorable terms SBC/Ameritech offers to telecommunications carriers in Texas as of August 27, 1999. ULS-ST will be available by October 8, 2000, as described in Paragraph 56 of the Attachment 1 in the August 27, 1999 ex parte to the FCC in In the Matter of the SBC/Ameritech Merger, CC Docket No. 98-141. (See The terms and conditions of the FCC SBC/Ameritech Merger Conditions (Memorandum Opinion and Order, Appendix C in FCC Docket No. 98-141 (FCC 99-279, rel. October 8, 1999). ("FCC Conditions") are incorporated herein by reference (hereinafter referred to as ("ULS-ST"). Telecommunications carriers that already have an interconnection agreement with the Company pursuant to Section 252 of the Telecommunications Act of 1996 shall be permitted to purchase ULS-ST under this tariff. ULS-ST is only available to a requesting telecommunications carrier for the provision of local exchange service. ULS-ST is not available when Unbundled Local Switching is not required by law to be provided, including due to the applicability of 47 C.F.R. section 51.319(c)(1)(A).~~

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ILLINOIS BELL  
TELEPHONE COMPANY

**Ameritech**

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ILL. C.C. NO. 20  
**PART 19** **SECTION 21**

PART 19 - Unbundled Network Elements and Number  
Portability

SECTION 21 - Unbundled Local Switching with  
Shared Transport

Original Sheet No. 2

**1. UNBUNDLED LOCAL SWITCHING WITH SHARED TRANSPORT (ULS-ST) (cont'd)**

(N)

**A. DESCRIPTION (cont'd)**

**General (cont'd)**

General Regulations, as found in Part 2 of this Tariff and Section 1 of this Part, apply to this Section unless otherwise specified in this Section. The term "customer," which appears in Part 2 General Regulations of this Tariff, is the equivalent of the term "telecommunications carrier" as used in this Part. Any references in this Section to service descriptions as shown in this Tariff shall include service operations and availability, and definitions. Unless expressly provided to the contrary herein, however, such references do not incorporate the terms and conditions related to the application of rates or minimum service quantity provisions as well as the rates and charges themselves contained in the referenced material.

Where capacity exists in the Company's end-office switch providing the Unbundled Local Switching component of ULS-ST, the Company will provide central office features with SS7 technology.

Telecommunications carriers subscribing to ULS-ST are required to provide all information regarding their end users that is required to include such end users in the 9-1-1 database, and in a format and media prescribed by the Company.

The ULS capability of ULS-ST is the Company's telecommunications network element offering unbundled access to local switching capability through a line-side and/or trunk-side port, which provides access to all features, functions, and capabilities of the switch. Other features, functions and capabilities the switch is capable of providing but are not currently available from the Company may be requested through the Bona Fide Request Process.

ULS-ST provides the ULS capability, separate from the local loop or other services on a per line basis, and Shared Transport as described following in this Section. Notwithstanding the provisions of this Section, Collocation, as set forth in Part 23, Section 4 of this Tariff, will not be required for the provision of currently combined ULS-ST and Unbundled Local Loops provided through Section 15 of this Part, Provision of Existing Combinations of Network Elements for the provision of ULS-ST obtained from the Company.

(N)

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Shared Transport

Original Sheet No. 3

1. UNBUNDLED LOCAL SWITCHING WITH SHARED TRANSPORT (ULS-ST) (cont'd)

(N)

**A. DESCRIPTION (cont'd)**

**ULS-ST Features**

**ULS-ST Line-Side Access**

A line-side port (line port) accesses capabilities within the end office switch and the vertical features associated with the particular port type provided, as shown under Feature Availability following. The line port is provided pursuant to rates by port type as shown in F. Prices following.

Telecommunications carriers can electronically request activation of individual vertical features on a per line port basis to meet the requirements of their individual end-users. These line port types are:

- Basic Port
- Ground Start Port
- ISDN-Direct Port
- Centrex Basic Port
- Centrex Attendant Port
- Centrex EKL Port
- Centrex ISDN Port

**ULS-ST Trunk-Side Access**

The trunk-side port (trunk port) accesses capabilities within the end-office switch.

ULS provides optional access to a trunk side DS1 port connection by which a variety of trunk port types may be accessed with each trunk port type being associated with particular functionalities and features which are shown in B. following and rates in F. following. These trunk port types are:

- Direct-In-Dial (DID) Trunk Port
- ISDN Prime Trunk Port
- Digital Trunk Port

(N)



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SECTION 21 - Unbundled Local Switching with  
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Original Sheet No. 4

**1. UNBUNDLED LOCAL SWITCHING WITH SHARED TRANSPORT (ULS-ST) (cont'd)**

(N)

**A. DESCRIPTION (cont'd)**

**ULS-ST Features (cont'd)**

**ULS-ST Features, Functions and Capabilities**

The features, functions, and capabilities of the end office switch include access to all available basic local switching functions and basic capabilities the switch is capable of providing and which the Company currently makes available to its end-user customers for the port type selected. Access to other basic capabilities that the switch is capable of providing, but are not currently resident in the switch may be requested through a Bona Fide Request. Access to other features, functions and capabilities currently resident in the switch but not offered by the Company can be requested through a Bona Fide Request.

The Company makes available access to the following features, functions, and capabilities as a part of ULS-ST, which are:

- basic local switching function of connecting lines to lines, lines to trunks, trunks to lines, and trunks to trunks
- a telephone number
- dial tone
- one alphabetical (white pages) directory listing
- signaling
- access to 9-1-1
- access to Company's Operator Services
- access to Company's Directory Assistance
  
- all currently resident vertical features in the end office switch where ULS-ST is being provided (e.g. Custom Calling, CLASS and Centrex features; available in feature sets associated with the type of port ordered and as listed under Feature Availability following).

Variations in the end-office switching equipment used to provide service in specific locations might cause differences in the operation of certain features, functions and capabilities.

(N)

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Shared Transport

Original Sheet No. 5

1. UNBUNDLED LOCAL SWITCHING WITH SHARED TRANSPORT (ULS-ST) (cont'd)

(N)

A. DESCRIPTION (cont'd)

ULS-ST Features (cont'd)

**ULS-ST Capabilities**

The Shared Transport capability of ULS-ST represents the Company's interoffice trunk network, including end office and tandem trunk ports, tandem switching, interoffice facilities between Company's switches, and central office routing tables. Shared Transport is provided for the delivery of telecommunications carrier switched ~~voice traffic for local calls on the~~ Company's interoffice trunk network. Telecommunications carriers subscribing to Shared Transport may also use it as an unbundled network element to carry originating access traffic from, and terminating access traffic to, end users to whom the requesting carrier is also providing local exchange service ~~(CC Third Recon Order, para. 2).~~

Shared Transport refers to transmission facilities connecting Company's switches and that can be shared by more than one LEC, including the Company. Those transmission facilities include those between Company's end office switches, between Company's end office switch and Company's tandem switch, ~~and between Company's tandem switches, and between the Company's switches and the switching facilities of other local exchange carriers. described in CC Third Recon Order, para. 54.~~

The Company will use the existing Company routing tables contained in Company switches to provision ULS-ST.

(N)